THE DENVER DUMB FRIENDS LEAGUE
CONFLICT OF INTEREST POLICY

I. GENERAL CONSIDERATIONS
As a nonprofit, tax-exempt corporation, the Denver Dumb Friends League (“DDFL”) must conform with the requirements of state corporation law and the Internal Revenue Code. Directors and officers of DDFL have fiduciary duties of loyalty and care which require them to act in the best interests of DDFL and which prohibit them from benefiting personally to the detriment of DDFL. Such individuals are expected to advance the interests of DDFL over any interests that may be adverse to DDFL.

The purpose of the Conflict of Interest Policy of DDFL is to provide general guidelines to our Board of Directors, officers and manager or director level or equivalent employees (who shall be referred to in this policy collectively as “Members”) concerning the policies and procedures regarding actual or potential conflicts of interest, which apply to DDFL. This policy is intended to supplement but not replace any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

By assuming his or her office or duties, each Member assumes a duty of loyalty to DDFL and acknowledges that the best interests of DDFL must prevail over any individual interests. The choice of individuals or organizations with whom DDFL has business relationships must be determined solely on the basis of the best interests of DDFL.

A conflict of interest may exist when the interests or concerns of any Member, his or her family, or any party, group, or organization in which the Member is actively involved, may be seen as competing with the interests of DDFL or as potentially affecting the independent judgment of the Member. It is immaterial whether DDFL is adversely affected by the conflict.

It is not possible to enumerate all situations which may constitute a conflict. The facts of each situation will determine whether the interest in question is such as to bring it within an area of material conflict. Such facts include the amount of money involved, the extent to which the Member could influence DDFL’s decisions, and whether the interest is of such a nature that it might affect the objectivity or the business judgment of the Member. In determining whether a conflict is involved, there is no substitute for sound judgment in each case based upon the particular facts involved.

A. WHAT CONSTITUTES A CONFLICT OF INTEREST

A. Types of Transactions in Which Conflicts May Arise
1. **Personal Gain From Position.** A Member has a conflict of interest when he or she, or any member of one’s immediate family, may in any way realize personal financial gain at the expense of DDFL. Such conflicts may arise if a Member has an interest in any organization which has, or is seeking to have, business dealings with DDFL; if the Member seeks to buy, sell, or lease any kind of property, facilities, equipment or services from or to DDFL; or if the Member has a position with any organization which is seeking to do business with DDFL.

2. **Fiduciary Duties.** A member has a conflict of interest when he or she has a fiduciary duty to another entity that may prevent him or her from acting in the best interests of DDFL.

B. Prohibition Against Loans and Gifts
1. DDFL shall make no loans to any Member. Any Members who make or assent to the making of any such loan shall be jointly and severally liable to DDFL to the extent of such loan and interest until the loan is repaid.

2. No Member may accept from a third party any substantial gift or any other similar benefit whenever the gift or benefit is received because of the Member’s duties for or relationship to DDFL. Gifts of cash or cash equivalents from a third party of any amount are not permitted. The giving or receipt of
common courtesies, occasional meals or reasonable entertainment appropriate to a business relationship and associated with business discussions, are regarded as being consistent with sound business practice, and are not a conflict of interest.

C. Use of Confidential Information. A Member may not use for personal advantage or for the advantage of any other group, organization or business, any confidential information or material acquired in the discharge of the Member’s responsibilities with DDFL. Such information may include, but is not limited to, rosters, mailing lists, telephone directories, business plans, certain information regarding donors, and confidential Board proceedings.

II. PROCEDURES FOR DISCLOSURE AND REVIEW OF CONFLICTS OF INTEREST

Members shall follow the following procedure when they become aware that DDFL is considering whether to enter into a transaction or otherwise approve action with respect to which they have (or may have) a conflict of interest:

A. Members shall disclose any potential conflict of interest in writing to the Board Chair or President of DDFL for review prior to approval of such transaction. Neither DDFL nor any Member shall engage in any transaction involving a conflict of interest until the Board approves such transaction.

B. When advised of a conflict of interest, the Board shall ascertain whether the conflict can be avoided or eliminated, or whether the transaction is fair to DDFL, despite the existence of the conflict. The fairness of a transaction shall be determined on the basis of whether the proposed transaction is at least as favorable to DDFL as a transaction with disinterested individuals or organizations in arms-length transactions. In the event the conflict of interest involves a member of the Board, the interested Member shall recuse him or herself from the Board’s deliberations and determination. The Board may also decide to refer the conflict to legal counsel for advice.

C. When any conflict of interest is relevant to a matter requiring action by the Board of DDFL, the interested Member shall call it to the attention of the Board, and he or she shall not vote on the matter. Moreover, the person having the conflict shall leave the room in which the meeting is held and shall not participate in the final deliberations or decision regarding the matter.

D. The Dumb Friends League shall review any potential conflicts of interest before it nominates any Member for election or appointment to the Board.

III. VIOLATIONS OF THE CONFLICT OF INTEREST POLICY

A. In the event that a potential conflict of interest is not disclosed, the matter shall be referred to Board regarding appropriate action against the Member involved in the conflict.

B. If Board has reasonable cause to believe a Member has failed to disclose actual or potential conflicts of interest, the Board shall inform the Member of the basis for such belief and afford the Member an opportunity to explain the alleged failure to disclose.

C. If, after hearing the Member’s response and after making further investigation as warranted by the circumstances, the Board determines the Member has failed to disclose an actual or potential conflict of interest, it shall take appropriate disciplinary and corrective action.

D. Any contract entered into in violation of this Policy shall be, to the fullest extent permitted by law, void and unenforceable if the Board so determines. In such event, the Board, at the next meeting of the Board, shall vote again on the contract, decision, or other action taken in violation of Policy.
IV. ANNUAL STATEMENTS

A. A copy of this Policy shall be provided to all Members.

B. Each Member shall annually sign a statement which affirms such person:
   1. Has received a copy of the Policy,
   2. Has read and understands the Policy,
   3. Has agreed to comply with the Policy and
   4. Has disclosed all conflicts of interest or potential conflicts of interest in accordance with the Policy.
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Questionnaire

I have read the DDFL Conflict of Interest Policy, as approved by the Board of Directors of DDFL. I hereby disclose material interests (please check the appropriate box):

Related entities in which I have a material interest:

<table>
<thead>
<tr>
<th>Name of Entity</th>
<th>Relationship to Denver Dumb Friends League</th>
<th>Type of Interest</th>
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<tbody>
<tr>
<td></td>
<td>[supplier, client, tenant, lessor, lessee, agent, competitor, other] (please explain if necessary)</td>
<td>[equity holder, debt holder, fiduciary or agent, contractor, employee, family] (please explain if necessary)</td>
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I have no material interests in related entities.

I have read the policy and understand its requirements. I will bring to the attention of the Chairman of the Board or the President of DDFL within 30 days any interests or conflicts which may arise that are not disclosed above.

______________________________
Print Name

______________________________
Signature Date